



ABN 66 138 145 114

www.EonNRG.com

ASX Code: E2E

ASX/Media Release

20 Howard Street  
Perth WA 6000

PO Box Z5207  
St George's Terrace  
Perth WA 6831

Tel: 08 6144 0590

Fax: 08 6144 0593

28 November 2019

## Drilling Update - GOVT KAEHNE #9-29 Well

### Highlights:

- **CapStar Rig #311 reached TD of 6,460 feet on Nov 27<sup>th</sup> at 8:00 am (US MST), two days ahead of schedule**
- **The Muddy (Secondary) formation was intersected at 6,056 MD feet with good oil and gas shows**
- **The Dakota (Target) formation was intersected at 6,279 MD feet with strong oil and gas shows**
- **Open hole logging and drill stem testing will be carried out over the next 48 hours**

Eon NRG Limited ("Eon" or the "Company") is pleased to announce CapStar #311 rig reached total depth of 6,450 feet on Wednesday 27<sup>th</sup>, two days ahead of schedule. The Govt Kaehne #9-29 well is the first of several wells to be drilled on its recently acquired 15,000-acre Powder River Basin leasehold position.

The surface hole was drilled to 2,050 feet and 8 <sup>5</sup>/<sub>8</sub> inch surface casing was set and cemented within 24 hours of spud time. The rig then commenced drilling a 7 <sup>7</sup>/<sub>8</sub> inch directional hole to 6,460 MD feet intersecting both the Muddy (secondary) formation and the Dakota (target) formation. The directional plan has been executed extremely close to design and there have been no unexpected geological anomalies that have caused any drilling delays.

The first hydrocarbon bearing formation (Muddy) was intersected at 6,056 MD feet. The Muddy formation had good gas and oil shows within the mud-log samples.

The primary hydrocarbon bearing formation (Dakota) was intersected at 6,279 MD feet. The Dakota formation had multiple strong oil and gas shows within the mud-log samples.

A series of geological open hole logging and drill stem testing will occur over the next 48 hours to determine the deliverability of hydrocarbons from both formations.

*"The drilling of the #9-29 is ahead of schedule and there have been no unexpected operational challenges as a result of good planning and a highly competent team of drillers and contractors,"* said John Whisler, Managing Director. *"We are excited to reach TD on target and look forward to logging and testing the well over the next 48 hours."*



*CapStar #311 Rig on location performing surface cement job*



*CapStar #311 drilling ahead during snowstorm*



*Collecting formation cuttings for mud-logs*

**About the Company:**

Eon NRG Ltd is an ASX listed company which has U.S. onshore focused energy exploration and production assets. The Company's growth path is through the drilling of high impact oil exploration wells, supported by a 100% owned and operated long life oil and gas production assets and associated cashflow. The company has a mixture of onshore USA exploration and development leasehold acreage along with oil and gas production assets located in Wyoming and California.

**Background to development of the Govt Kaehne #9-29 well:**

- The Company acquired 15,000 acres of leasehold in the Powder River Basin in October 2018
- The first drilling prospect that was identified in this acreage is located in an existing oil field, Donkey Creek North
- Environmental and archeological surveys were carried out on and around the well location in the spring of 2019
- Applications to drill the new well were granted in July 2019
- The well pad and access road for the new well were built in August and completed in September
- JV funding was finalized in November 2019
- Drilling of the Govt Kaehne #9-29 commenced on November 19, 2019

**All reference to dollars or \$ refers to USD unless otherwise stated.**

**For further information, contact:**

**Simon Adams**  
**CFO/Company Secretary**  
**Perth**  
**+61 (0)8 6144 0590**  
**Email: sadams@i-og.net**

**John Whisler**  
**Managing Director**  
**Denver Head Office**  
**+1 (720) 763-3183**  
**Email: jwhisler@i-og.net**

**Forward-Looking Statement**

This document may contain certain statements that may be deemed forward-looking statements. Forward-looking statements reflect Eon NRG Ltd's views and assumptions with respect to future events as of the date of this press release and are subject to a variety of unpredictable risks, uncertainties, and other unknowns that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. Actual and future results and trends could differ materially from those set forth to various factors, many which are beyond our ability to control or predict. Some of the risk and other factors that could cause results to differ materially include but are not limited to: industry conditions, including fluctuations in commodity prices; governmental regulation of the oil and gas industry, including environmental regulation; economic conditions in the US and globally; geological; technical and drilling results; predicted production and reserves estimates; operational delays or unanticipated operating event; physical, environmental and political risks; liabilities inherent in oil and gas exploration, development and production operations; fiscal and regulatory developments; stock market volatility; industry competition; and availability of capital at favorable terms. Given these uncertainties, no one should place undue reliance on these forward-looking statements attributable to Eon NRG Ltd, or any of its affiliates or persons acting on its behalf. Although every effort has been made to ensure this release sets forth a fair and accurate view, we do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.